

CHAPTER 25

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CHAPTER 25

ADMINISTRATION OF ALLOTMENTS2501 PREPARING AN ALLOTMENT TRANSACTION

250101. Requesting An Allotment. Members may initiate allotment actions at their administrative office or servicing finance office. The administration office can submit transactions by on-line ABA or by Remote Access Pay Transactions and Reporting System (RAPTRS). Members may complete transactions for “savings” allotments and savings bonds on the internet, using MyPay. To repay loans made by the American Red Cross (ARC) or the Navy and Marine Corps Relief Society (NMCRS), the allotments are initiated at the local ARC or NMCRS office.

*Note. As result of U&E Reversal during April 2005, bond and allotment (B&A) payments will continue to be issued and received at the same time each month. For example, the May 2005 allotments will be paid on June 1, 2005 and the June 2005 allotments will be paid on July 1, 2005. Aged allotments will be dropped to history during the new Mid-Month U&E that is processed on or about the 5th of each month. Compute flags are set at the new Mid-Month U&E. An extract code and date will be set during the new End-of-Month U&E on or about the 20th of each month. Any retroactive allotment transactions that cycle after the 20th of the month U&E will appear on the next months Leave and Earnings Statement (LES).

250102. Allotment Forms.

A. The following forms are used when submitting allotment transactions.

1. DD 2558. Allotment/Bond Authorization Worksheet. This form is used when the member will not be available to sign an on-line ABA form. It is submitted as a backup document in the Document Transmittal Letter (DTL) with the certified on-line documents.

2. On-line ABA. Data is input into the B&A system and the ABA document is printed and signed by the member before certification.

3. Remote Access Pay Transaction and Reporting System (RAPTRS) System Generated ABA Document. Must be printed and signed before certification.

4. SF 1199A. An allotment that uses the Electronic Fund Transfer (EFT) method requires that an SF 1199A be completed. (This is the same form that is used to process net pay via EFT, refer to Chapter 5) Block "G" of the SF 1199A should indicate “allotment” and block “D” should indicate "savings" or “checking”. The SF 1199A must be signed by both the member and an official of the financial institution where the allotment is to be deposited. The

SF 1199A is to be submitted as a backup document in the document transmittal letter (DTL). If member is using MyPay, the SF1199A form is not required.

5. DD Bond Authorization Form SB 2378. This form requires the Member's signature. An on-line document is required, but the member need not sign it as long as the bond authorization is signed and dated.

6. Charity Pledge Card. Both Combined Federal Campaign (CFC) and Navy and Member Corps Relief Society (NMCRS) issue pledge cards. The Member fills out the card and signs it. The cards are submitted by the admin office with the certified DTL. Printed ABAs are not required for charity allotments.

250103. Signatures.

A. ABA and/or DD Form 2558. Must be completed and verified by the administration officer, before it is signed by the member, the witness and the administration/disbursing officer. DD Form 2558s prepared by the ARC or the NMCRS do not need to be witnessed.

B. Member's Signature. When the witness or administration officer has verified the data on the ABA, the member must sign the 'Signature' portion of the document. Following are the exceptions to the signature requirement:

1. The member's signature is not required on an ABA to start a "C" charity allotment. An ABA is not required. The signed pledge card and the certified final document and DTL are submitted.

2. The member's signature is not required on the ABA for Savings Bond starts/changes. The DD Bond Authorization Form SB2378 should be completed and signed by the member. The bond form and an ABA document are submitted for certification.

3. If a member is unable to sign an ABA due to physical incapacitation, the member should make an "X" in the signature area, if possible. The commanding officer or an authorized representative must witness this signing of the "X" and sign the document in the witness area.

4. The member's signature is not required on the ABA when a signed DD Form 2558 is available as backup.

5. The member's signature is not required to stop allotments under the following conditions:

(a) Discharge or release from active service.

(b) Absence, desertion, IHFA or IHCA.

(c) Protecting the interest of the government; e.g., fraud, indebtedness.

C. Witnessing Signatures.

1. The commanding officer or an authorized representative will witness the member's signature if the ABA is completed at a place other than the finance office. (refer to the "DoDFMR", Vol. 7A.).

2. The signature of a Witnessing Officer is not required if the ABA is prepared by the finance officer, ARC, or NMCRS, in the members presence.

3. The commanding officer or an authorized representative will witness a physically incapacitated member's mark (X) in lieu of a signature, regardless of where the ABA is prepared. Should a member be unable to sign or enter an "X" on an ABA, the following statement must be typed immediately below the statement of request and immediately before the signature line:

"Member unable to sign due to physical incapacitation. This request conforms with the specifically expressed desire of the member. "

D. Finance Officer's Certification. The Finance Officer, Deputy Finance Officer, Agent Cashier (if authorized), and Administrative Officers designated by the Finance Officer, who processes an ABA will complete the certification in the "Disbursing Office" block of the ABA when the authorization has been reviewed for correctness.

250104. Duration Of Allotments. Allotments must be registered and remain in effect for at least 3 months, except for the following reasons:

A. Death of an Allottee.

B. To prevent financial loss to the member, the government, or the finance officer.

C. To change the amount of an allotment.

D. To stop a J allotment when a member becomes ineligible.

Note: Allotments for a deceased member are stopped by DFAS-KC upon receipt of a casualty report, submitted as prescribed in MCO P3040

250105. Changes In A Member's Category, Name, Or SSN

*A. Member's Category, Name, or SSN. Are automatically changed in the Bonds and Allotment System from the MCTFS postings; this information is retrieved from unit

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diary entries. However, when a member's SSN has been corrected by a unit diary statement and the allotment file does not get corrected, the member's allotments may be subsequently omitted from the LES. If this should happen, submit a message informing the DFAS-JMSD/KC of the member's old and new name and SSN for corrective allotment action.

B. Correction in Member's Name or SSN. When the member is designated as a Bond Owner, correction requires a separate ABA, stop under the Old Name/SSN for each bond allotment and a separate ABA start under the New Name and/or SSN. The DFAS-KC will not take these actions unless a request is received from the member's finance office or personnel office.

*250106. Error Correction. The finance officer is responsible for making ABA corrections using the following procedures.

A. Month of Deduction, Amount, or Allottee Error. If the Month of First Deduction, the Month of Last Deduction, the Amount, or the Allottee was reported erroneously, prepare one ABA to stop the allotment and a separate ABA to start the allotment with the correct data, without a break in coverage. The correcting ABA must be signed by the member. The new ABA must be processed before Mid-Month U&E of the month of first deduction.

B. Misspelled Names. To correct the misspelling of the Allottee's Name, submit an ABA to stop the erroneous allotment and another ABA to start the allotment with the correct allottee name. To correct the misspelling of the Bond Co-owner Beneficiary Name, submit an Address Change Notification (ACN) document via the On-Line ACN system (see appendix N). To correct an Individual or Blanket Allotment Account Owner, submit an ACN document for Account Owner update via the On-Line ACN system.

C. Incorrect Account/Policy Number Errors. To correct or change the Account or Policy Number of an Individual or Blanket Allotment, submit an ACN document for Account Number change via the On-Line ACN system (see appendix N).

D. To Correct or Change Information. To correct or change an Account Number, Account Owner, or Routing Transaction Number (RTN) of an EFT allotment, submit a document for EFT change via the On-Line ACN system (see appendix N).

*E. Allottee Address Errors. To correct or change an Allottee Address, submit an ACN document for Address Change Notification via the On-Line ACN system (see appendix N). The DFAS-JMSD/KC should be contacted if a payment has been lost or is missing.

*F. Other Errors. Refer errors that can not be corrected by the finance office to DFAS-JMSD/KC. Errors in this category include, but are not limited to:

1. Deductions not being made from the member's pay but the Allottee is receiving allotment checks.

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2. The Allottee not receiving allotment checks but deductions are being made from the member's pay.

Note: Communications with the DFAS-KC concerning this type of error should include the Member's Name, SSN, the approximate Date of First Deduction, the Monthly Amount, the Type of Allotment, the Allottees' Name and Address and, when known, the DTL date and number under which the requested action was submitted.

*250107. Change Of Address

A. An allotment Change of Address should be submitted to a member's administrative office for input of an ACN document for Change of Address via the On-Line ACN system. Allotments should be converted to EFT when the address changes unless the allotment is being sent to a foreign country.

*B. Bond address changes can be mailed to the DFAS-JV/KC. Allotment check recipients may send a written request for address change to the DFAS-JMSD/KC. All written requests should include the following information:

1. Member's full name.
2. Member's SSN.
3. Allottee's or Recipient's name.
4. Exact amount of allotment.
5. Old address with ZIP Code.
6. New address with ZIP Code.
7. Allottee's or Member's signature.
8. Daytime telephone number.

C. If the allottee requests an Address Change to an existing individual allotment, (for an allotment to an individual's home), the allotment must be stopped and restarted as a new EFT allotment to a financial institution. If the allotment is going to a foreign address, it can not be converted to EFT.

2502. MYPAY

250201. MyPay Access.

A. MyPay Requests. MyPay provides the capability for members to start, stop, change, and update Electronic Funds Transfer (EFT) savings allotments and savings bonds using the internet. MyPay can be accessed at [HTTPS://MYPAY.DFAS.MIL](https://MYPAY.DFAS.MIL).

B. MyPay Processing. The WEB application works with a combination of SSN and a Personalized Identification Number (PIN). The Web application may be used to request a PIN number. The following describes the processing of allotments via MyPay:

250202. MyPay Allotment Transactions.

A. Transactions input via MyPay are gathered from the server daily, resulting in a consolidated file being passed to MCTFS for cyclic processing one to two days after input is accomplished. An advisory message is sent to the member's RUC and appears on Part III of the Personnel Officers Unit Diary Feedback Report providing notification of acceptance/rejection of the allotment start, change, or update.

B. MyPay Transaction Changes. MyPay transactions must be in effect for one calendar month prior to subsequent MyPay changes being submitted. If corrective action is required during the first calendar month, it must be processed through the administrative office.

C. Start EFT Savings Allotment. Transactions processed with an erroneous Financial Institution Routing Number (RTN) or Account Number will result in the funds being returned from the financial institution to the DFAS-KC. It is the member's responsibility to ensure the accuracy of the Bank RTN and the Account Number. The system will automatically supply the Member Name as the Account Owner. A member is authorized two S allotments going to a financial institution with the same RTN. However, each S allotment must have a different Account Number.

D. Stop, Change, And Update An Allotment. Members are limited to transactions for existing allotments that have been in effect at least one calendar month.

E. Effective Dates. Transactions created in MyPay are generally effective the calendar month following the date posted to MCTFS for starts and the month posted to MCTFS for stops.

1. Start Transaction. A Start transaction input on YYYY0608 would have an effective first pay date of YYYY0701.

2. Stop Transaction. A Stop transaction input YYYY0608 would have an effective last pay date of YYYY0630.

3. Change Of Amount. A Change of Amount would process with effective first and last deduction dates that mirror the start or stop transaction.

4. Change In Account Number Or Routing Transit Number. If a change to an Account Number or Routing Number is the only requested change, the change to the existing allotment will be displayed upon completion of the next cycle processing.

250203. Identification MyPay Transactions On The Bonds and Allotment Master File

A. The following describes the procedures to research MyPay transactions that have posted to the bond and allotment master file:

B. Start Transactions. The address lines of the master record appear as follows: ADR.ALot: 3333113 1121000014 020000601; ADR.RMK1: 3333152 1121000014 020000601; ADR.RMK2: 3333152 1121000014 020000601. The first position of the address line, '3', indicates an ABA transaction was submitted. The following six positions indicate the DTL number of a MyPay transaction; '333' indicates a MyPay ABA/DTL with the next three positions indicating the Julian date the file was submitted. The next six positions provide the RUC of the member, followed by a zero filler. The following four positions indicate the MyPay disbursing symbol number '0014'. Finally, the last nine positions provide the MyPay input date with a leading zero.

C. Stop And Change Of Amount Of Transactions. Only the ADR. A Lot line will reflect the change, providing the same information as the allotment start. For example, ADR.A Lot: 33330094 0087000014 020000404.

D. Updates (Other Than Change Of Amount). Only the ADR.RMK2 will reflect the change. For example: ADR.RMK2: 4444152 0000000014 020000601. The first position for updates is '4'. The DTL number for updates done by MyPay is '444' followed by the Julian date. The Julian date shows when the MyPay data was processed in a B&A daily cycle.

250204. MyPay Allotment Transaction Failures.

A. Allotment transactions will fail for the following reasons:

1. Processing an Allotment. Member attempts to process an allotment other than an EFT Savings Allotment or a Savings Bond (such as a third party e.g. Insurance Company, Mortgage Company, etc.). Note: These allotments must be processed through normal channels (i.e. administrative and/or finance office).

2. Starting An Allotment. Member attempts to start an allotment in excess of his/her net pay.

3. Multiple Allotment Inputs. Member attempts multiple inputs for the same allotment action. For example, upon review of the B&A master file, a member determined a Start Savings EFT allotment for \$100 had not posted. The member subsequently enters the allotment data multiple times. The first input, if valid, will successfully post to the B&A master file. Subsequent inputs will fail, but will issue a "reject" advisory message.

2503. Administrative Responsibilities250301. Distribution

A. Original. Retain original signed ABAs until the Master Error Control File (MECF) has been reviewed. When the ABAs have posted, e-mail the scanned copies of the ABAs, and the DTL to the DFAS-KC on a daily basis. Provide a copy of the MECF errors. Remove those ABAs that must be reprocessed.

B. Copy. Retain a copy of the ABA with a copy of the DTL until the acknowledged copy of the DTL is received from the DFAS-KC. The copy of the ABA can then be recycled or properly disposed.

250302. Disposition. The following rules apply:

A. Do not transmit ABAs under a DTL covering any other type of document.

1. Certify and transmit charity (CFC or NMCRS) starts, pledge cards, final document in separate DTLs.

2. Submit bond authorization cards with ABAs and DTLs.

B. If more than one ABA is required for a related series of allotment actions for a member, forward all such ABAs under the same DTL (except for identical bond allotment starts/stops).

C. Do not hold the ABAs for batch submission just before the deadline dates. On a daily basis, electronically submit the DTL with the ABA documents to the DFAS-KC Organizational Mailbox provided in paragraph F below.

D. Do not alphabetize or serialize the ABAs. However, arrange the backup ABAs in the same order and in the same folder as the original, signed ABAs.

E. A maximum of 100 ABA documents may be electronically sent by e-mail under one DTL. Use the following tracking process for electronically submitting a DTL for ABA's

(1) Scan the DTL with the ABA (ABA DTL) to your computer. The e-mail subject line must include, the type of documents and the document control letter number.

(2) Select the "Option TAB" located in the toolbox at the top of the e-mail and the "Message" Option block will appear.

(3) Select the "Delivery" receipt block. This will serve as your notification tracking process by DFAS-KC. Then select closed "Message" Options.

(4) Select the “Action” Option and “Flag” for follow up after 30 days. E-mail the DTL and retain the electronic copy of your e-mail on your computer.

(5) Upon receipt, DFAS-KC will generate a “Delivery” Notification by e-mail to your office. After 30 days, if the original e-mail has not been read by DFAS-KC, your office must re-submit the original e-mail with “Tracer E-mail” as your subject line.

(6) If the DFAS-KC does not receive the original electronic ABA DTL, re-submit the original DTL by e-mail using the same DTL number as the lost DTL Number. Put “Resubmission” as your subject line.

(7) Retain the re-submitted DTL with the ABA documents pending notification of receipt.

F. E-mail the ABA DTL to the DFAS-KC organizational Mailbox:
ACCOUNTSMAINTENANCE@DFAS.MIL.

G. A print of the MECF errors should be included in the original DTL. This allows for a cross checks of ABAs submitted and ABAs retained for corrective action. The ABAs and signature backups should be pulled for any errors being corrected by the originating office. The pulled documents are submitted as backup for the new ABA.

250303. Deadline Dates

A. General. The B&A Masterfile will allow input for First Deduction in the current month until the Mid-Month U&E date. After the U&E cycle, the current First Pay date will change to the first day of the next month. The system will accept the Last Deduction date of the last day of the previous month until the Mid-Month U&E. After the U&E cycle, the current Last Pay date changes to the last day of the current month. Time must be allowed for certification, therefore, each finance/disbursing office can establish its own cutoff dates to ensure sufficient time is allowed for processing.

B. MyPay Deadlines are Based on the Calendar Month. First Deduction for start transactions is always the next calendar month, i.e., processed during January will have First Deduction February 01, XXXX, with first payment issued at the end of February. Stop transactions will have Last Deduction of the last day of that month, i.e., input on 10 January will have Last Deduction of January 30, XXXX. Stop transaction input on Jan 30 will have Last Deduction of January 30, XXXX, unless it is not cycled in MCTFS until February 01 or 02. Then it will have Last Deduction February 28, XXXX. The calendar month is based on the date the transactions process in MCTFS, not the date the member enters the transaction through the Internet/MyPay.

*C. Exceptions. Requests for emergency stops for members by reason of release from active service or unauthorized absence must reach the DFAS-JMSD/KC by the Mid-Month U&E for previous month stops. If the stop message is received after the mid-month U&E, the

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allotment will be stopped with the current month as the Last Deduction Date, and the current month payments will be issued.

D. J Allotments. If a member signs the start/change-request on or before the 10th day of the month, the deduction start/change date will be the 1st day of that month. Otherwise, the start/change date will be the 1st day of the following month. The stop date will be the last day of the month in which the member signs the stop request, or meets the requirements for a MCTFS generated stop. Refer to Chapter 24.

*250304. Acknowledgment Of Receipt. The DFAS-KC endorses the duplicate copy of the DTL and returns it to the originating finance/disbursing officer. Upon its receipt, place the acknowledged copy in a retain file which may be destroyed after 2 years. If a duplicate copy of the DTL is not submitted to the DFAS-KC, an acknowledgment of receipt will not be provided.

*250305. Tracer Action. If duplicate copies of the DTLs were submitted, forward a photocopy (or other reproduction) of the DTL (clearly labeled TRACER COPY) to the JMDS/KC if acknowledgment has not been received within 30 days after submission. The DFAS-KC will acknowledge receipt of the tracer copy. Do not initiate tracer action unless duplicate DTL copies have been submitted.

250306. Emergency Stop Requests

A. Use. The finance/personnel officer must use Emergency Message Requests (EMR) to stop allotments only when absolutely necessary. EMRs may be the result of Discharge from Active Duty, Unauthorized Absence and to prevent financial loss to the Government, the member or the finance/disbursing officer. Allotments cannot be stopped retroactively after Mid-Month U&E. Requests received between the 16th of the month and End-of-Month U&E will be processed with the requested stop date. Requests received after End-of-Month. U&E will be stopped with the current month as last deduction

*B. Content. Emergency stop requests may be telefaxed to DFAS-JMDS/KC at DSN: 465-7412 or (816) 926-7412. Each request must contain the following information:

1. Member's name.
2. Member's SSN.
3. Monthly amount of the allotment. (Not required for members released from active service)
4. The month of last deduction. (Show the month preceding the month of first payment if the allotment is being stopped without payment.)
5. The reason for the stop.

6. The date of the event that requires the stop.

7. The allottee's name, only when the member has more than one allotment in the same amount or when the allotment being stopped is a B allotment and the member is not the owner of the bond.

8. Name and telephone number of point of contact.

DO NOT SUBMIT AN ABA TO CONFIRM MESSAGE STOP REQUESTS.

C. Disposition of Message Requests. In cases where a member is being separated, file a copy of the "has been sent message" request with the separation package.

D. Acknowledgment. The DFAS-KC will acknowledge message requests as follows:

1. By message when the action taken by DFAS-KC differs from the action requested.

2. By forwarding one copy of the DFAS-KC prepared ABA to the finance/disbursing officer. The finance officer will then forward the copy of the ABA to the commanding officer for notification to the member.

3. Message requests to stop allotments for members released from active service will not be acknowledged by the DFAS-KC.

250307. DFAS-KC Allotment Action. The DFAS-KC will prepare ABAs when administrative actions are initiated by DFAS-KC. The DFAS-KC will forward a copy of the ABA's to the finance/disbursing officer. Upon receipt, forward the copy to the commanding officer for delivery to the member.

*250308. Intercept of EFT Allotments. All requests for the intercepts of EFT payments must be mailed or faxed by the field disbursing officer or the administrative officer to the Disbursing Division (DFAS-JV/KC), 1500 E. 95TH Street, Kansas City, MO 64197-0001. The fax numbers are DSN 465-5912 or (816) 926-5912. The request must contain the following information: Members' Name, SSN, Name of Bank, Amount of Allotment, Name and Telephone Number of the POC in the administrative or financial office, and a Justification for the EFT intercept (e.g. Account Number incorrect, member is overpaid, or member is being discharged early). The DFAS-JV/KC personnel will evaluate all requests before attempting an intercept from the financial institution. If DFAS-JV/KC personnel do not act on the request because the justification is insufficient or the 5-day time limit has expired, the field office will be notified. It should be noted that this process does not guarantee recovery of funds from the financial institution.

250309. Returned Payments.

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*A. DFAS-JMSD/KC Action. The DFAS-JMSD/KC will notify finance offices by the message that a member's allotment payment has been returned. The message will provide the reason for the return and request for the member to provide correct information to their servicing finance office. If the information is not corrected within 10 working days after the message is sent to the finance office, the allotment will be stopped by the DFAS-JMSD/KC. DFAS-JMSD/KC will research the Bonds and Allotment system on the 11th working day. If new information is reflected on the system, the returned payment will be "fedlined" to the appropriate institution/account. If there is no new information, the allotment will be stopped and the returned funds credited to the member's pay account.

B. Finance Officer Action. The finance/disbursing office should contact the member when notified that an allotment payment has been returned to DFAS-KC. Additionally, the finance/disbursing office must update the Bonds and Allotment system upon receipt of the correct information from the member.

250310. Establishing A New Blanket Allotment Company.

A. If a member requests that an individual allotment be started to an organization/business that does not have a Blanket Company Code established, forward the following information to DFAS-JMSD/KC (telefax number is (816) 926-7412 or DSN 465-7412) so that a Blanket Code can be initiated: Organization Name; Address; Phone Number; Point of Contact, if known; Marine Corps Point of Contact; and Telephone Number or E-mail Address.

B. DFAS-KC will contact the organization and establish an allotment Blanket Company Code.

C. DFAS-KC will notify the Marine Corps point of contact of the new code and when an allotment to the new Blanket Allotment Code can be submitted.

2504 Miscellaneous Allotment Actions.

250401. Allotment Actions For Members Being Paid By Other Service Finance Officers

A. If the member's pay account is serviced by other service finance offices, the member may initiate allotment actions in one of the following ways:

1. By using the DD Form 2558: Authorization to Start, Stop or Change an Allotment, if it is available, or

2. By using any of the servicing finance office Allotment/Bond Authorization forms. (These forms must include all of the necessary information required for the type of action being requested.)

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*B. All allotment requests must be signed by the member, dated, and include the member's Social Security Number (SSN). These requests must be forwarded to the DFAS-JMSD/KC for input.

250402. Absentees. Allotments will automatically terminate before the next U&E after members have been reported in an unauthorized absence for 8 days. Allotments will automatically terminate when members are reported to desertion without previously being reported in an Unauthorized Absence (UA) status. Also, if a member is not reported as arriving at a new duty station within 90 days past the Estimated Date of Arrival (EDA), all allotments will be terminated.

250403. Expiration Of Current Contract (ECC) Date The ECC date automatically stops allotments on the last day of the month, or for term bond allotments, the last day of the term period preceding the ECC. (Exception: Allotments are not stopped if the member has 20 or more years of active service.) If a member's allotments are erroneously stopped (either due to an incorrect ECC or the late reporting of an extension of enlistment or reenlistment), allotments may be reinstated.

250404. Separated Without Transfer To The Retired List Or FMCR.

A. All allotments, except term bond allotments, are automatically stopped the month prior to the month of the ECC date. Term bond allotments are automatically stopped the last month of the prior term period.

B. If a member separates from active duty before the ECC date, or if a member whose Master Military Pay Account (MMPA) has been flagged to show an intent to reenlist separates on the ECC date, submit an ABA to stop all allotments at the end of the month before the month of separation.

C. The submission of an ABA to stop all allotments also stops a term bond allotment the last month of the prior period.

D. If a member's allotments are erroneously terminated by ECC, and the member is going to continue on active duty and wants the allotments to continue, the member's administrative office should:

1. Remove the allotment file lock by ACN document for Delete Flag Update via the On-Line ACN system (see appendix N) when a correction or "will re-enter" is reported.

2. Restart the allotments on a current basis.

3. Close coordination involving the reinstatement of allotments must exist between the commanding officer, the member involved, and the finance officer. They must make sure of the following:

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(1) That the appropriate extension of enlistment or reenlistment unit diary entry is immediately reported when an invalid ECC date is discovered, and that the entry is accepted in the MMPA.

(2) That allotment reinstatements for term bonds are fully understood by the member involved. Term bonds cannot be reinstated retroactively. If the member elects reinstatement of a term bond on a current basis, the first bond for this deduction will be issued following the last month of the new term.

*(3) If the member does not get discharged and is placed back on active duty, and wants his dental insurance coverage to continue, the member should be advised that he can contact the dental contractor, United Concordia (UCCI) and ask to be placed on the direct billing payment method until he is back in a good pay status. Then he should ask someone in his Administrative Office to verify that the Defense On-line Eligibility/Enrollment System (DOES) has been updated. The member should then contact United Concordia and request that the direct billing is stopped and a new allotment be started. This may be done by either calling 1-800-866-8499 or by writing their request on the latest statement received from United Concordia and mailing it back to them. United Concordia will then verify the member's status in DOES and send DFAS-JMSD/KC a new allotment start request.

250405. Transferred To The Retired List Or FMCR. For pay matters regarding transfers to the retired list or FMCR, contact the DFAS-CL at (800) 321-1080.

A. Continuation of Allotments. See the "DoDFMR", Vol 7A. The ECC date does not stop allotments in effect on the date of transfer to the retired list or FMCR if the CMC has approved the retirement or transfer by unit diary entry, as these allotments may be continued. However, the following allotments must be stopped by the finance officer:

1. Class C allotments (other than the NMCRS).
2. Allotments in amounts greater than the anticipated amount of Retired or Retainer Pay.
3. Class J allotments.

*April 19, 2007

Note: Do not start, stop, increase, or decrease an allotment effective the month following the month of transfer to the Retired List or FMCR. The member must submit any request for allotment actions effective on or after the effective date of transfer to the Retired List or FMCR directly to the DFAS-CL/ROB. The letter request must contain the Member's Signature and SSN.

B. Restrictions on Continuation of Allotments. The commanding officer will contact the member transferring to the Retired List or FMCR to determine which allotments are to be continued from Retired or Retainer Pay, and will inform the finance officer in writing of the member's desires. The finance officer will take the following actions:

1. To the extent possible, ensure that the total amount of the allotments to be continued is less than the anticipated amount of Retired or Retainer Pay.
2. When the total of the allotments exceeds the anticipated amount of Retired or Retainer Pay, have the member select the allotments to be continued.
3. Ensure that allotments continued in effect are deducted from active duty pay when the member is transferred to the Retired List or FMCR on an intermediate day of the month, even though this action will result in the member being overpaid.

C. Stopping Allotments Upon Transfer to the Retired List or FMCR. The finance officer will stop class "C" allotments (except to the NMCRS), class "J" allotments, and those allotments in amounts greater than the anticipated amount of retired or retainer pay. The allotment authorizations prepared to stop such allotments do not require the signature of the member, as these are not being done at the member's request. The month of last payment of these allotments will be the month before the month of release from active service. Submit a message request, if necessary, to meet the deadline dates.

1. If available, the member must sign the DD Form 2558 or an Allotment Authorization to stop any allotments that the member chooses to discontinue upon transfer to the Retired List or FMCR.. The month of last deduction will be the month of release from active service. The member may specify an earlier month if the deadline dates can be met.
2. A member to be transferred to the Retired List or FMCR is not allowed to continue a Savings Bond Allotment held in Safekeeping. The allotment should be stopped and restarted with a mailing address.
3. When the member has not selected the allotments that must be stopped and the amount of the existing allotments is greater than the amount of Retired or Retainer Pay, stop the allotment(s) without the signature of the member. Advise the member whenever allotments are stopped under this authority. Select the allotments to be stopped administratively in the following

order until the total amount of the allotments remaining in force is reduced to an amount that does not exceed the Retired or Retainer Pay:

- a. C allotments for CFC.
- b. B allotments for Savings Bonds.
- c. Discretionary allotments payable to a financial organization for deposit to the member account (includes allotments payable to a mutual fund or investment firm and allotments to pay for personal or car loans).
- d. L allotments to repay loans to Service Relief Agencies and the American Red Cross.
- e. D allotments in the following order:
 - (1) payments to dependents/relatives.
 - (2) repayment of home loans and payment of rent.
- f. I allotments for commercial life, health, and dental insurance.
- g. M allotments for Navy Mutual Aid Insurance.

250406. Mentally/Physically Incapable

A. Fiduciaries, appointed by competent authority for members declared mentally or physically incapable of managing their personal affairs, are authorized to stop allotments upon the member's transfer to the Retired List or FMCR.

B. If the member is not transferred to the Retired List but is released from Active Duty, prepare an ABA to stop all allotments.